MULTIMEDIA UNIVERSITY

STUDENT IDENTIFICATION NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2019/2020

DFA5054 – FINANCIAL ACCOUNTING

(All sections / Groups)

14 OCTOBER 2019
9.00 a.m - 11.00 am
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of 5 pages.
2. Attempt **ALL** questions. The distribution of the marks for each question is given.
3. Please write all your answers in the Answer Booklet provided.

QUESTION 1

Belinda owned a florist inherited from her parents. Following are the transactions occurred for the month of May 2019:

May 1	Belinda invested RM20,000 cash into her business.
5	Purchased new furniture and fittings costing RM4,600, paying a quarter by cash and the remainder on account.
8	Issued an invoice of RM10,720 to Multimedia University for 60 flower bouquets ordered for an event.
10	Paid the outstanding amount for the purchase made on 5 May.
15	Received RM5,100 cash from customers billed on 8 May.
19	Purchased supplies on account for RM2,800.
21	Belinda brought in her personal car at a cost of RM58,000 into the business.
23	Belinda withdrew RM450 cash for her personal use.
26	Received full payment by cash from customer billed on 8 May.
28	Paid RM1,200 cash for advertising expense.
30	Paid cash RM1,900 and RM5,900 for current month's utility bills and salaries respectively.

Required

(a) Journalise the above transactions. (12 marks)

(b) Prepare Statement of Profit or Loss for the month ended 31 May 2019. (5 marks)

(c) Prepare Statement of Financial Position as at 31 May 2019. (8 marks)

(Total: 25 marks)

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QUESTION 2

On 1 August 2019, Golden Time had an inventory of 300 smart health watches at a cost of RM175 each. During the month of August, the following transactions occurred:

Aug 3	Sold 120 watches to Stay Healthy for RM260 each, terms 8/20, n/15.
4	Purchased 60 watches for cash RM10,500.
7	Granted an allowance of RM500 to Stay Healthy for damaged watches.
10	Purchased 80 watches on account from Perfect Timing Corporation RM14,000, terms 4/15, n/30, FOB shipping point.
11	Paid freight cost of RM180 for 10 August purchase.
13	Sold 200 watches to Happy Hour for RM300 each, terms 1/10, n/30.
16	Received full payment from Stay Healthy.
19	Granted Happy Hour RM3,000 credit for 10 watches returned.
20	Returned 5 malfunction watches to Perfect Timing Corporation and received RM875 credit from the company.
25	Paid Perfect Timing Corporation in full, less discount.
28	Received full payment from Happy Hour.

Required

(a) Journalise the August transactions using a perpetual inventory system. (15 marks)

(b) Prepare a ledger for Merchandise Inventory. Assume that the beginning balance is RM52,500. (10 marks)

(Total: 25 marks)

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QUESTION 3

PART A

The comparative Statement of Financial Position of Great Berhad are presented below:

Great Berhad Comparative Statement of Financial Position as at 31 August		
Non-current Assets	**2019 (RM)**	**2018 (RM)**
Equipment	220,000	200,000
Machinery	145,000	120,000
Current Assets		
Cash in hand	70,000	52,000
Inventory	30,000	36,000
Accounts receivable	20,000	18,000
Total Assets	**485,000**	**426,000**
Liabilities and Stockholder's Equity		
Current Liabilities		
Accounts payable	26,000	28,000
Accrued utility	5,000	10,000
Stockholder's Equity		
Common stock	70,000	70,000
Retained earnings	384,000	318,000
Total Liabilities and Stockholder's Equity	**485,000**	**426,000**

Required

(a) Using horizontal analysis, show the percentage change for each Statement of Financial Position item using 2018 as a base year. (5 marks)

(b) Using vertical analysis, prepare a common size comparative Statement of Financial Position. (10 marks)

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PART B

Jameela operates a catering services. Following are the information pertaining to Jenjarum Catering as at 30 June 2019:

i. Bank statement shows an ending balance of RM28,600.
ii. Cash account shows a balance of RM24,200.
iii. Bank service charge is RM175.
iv. Deposit in transit amounted to RM1,540.
v. NSF cheque from Vogue Bridal RM12,500.
vi. Outstanding cheques; No. 122 of RM930, No. 123 of RM1,540 and No. 124 of RM1,370.
vii. EFT receipt of rental of canopy amounting RM21,575.
viii. EFT payment of advertising expense of RM6,800.

Required
Prepare the bank reconciliation as at 30 June 2019. (10 marks)

(Total: 25 marks)

QUESTION 4

Rajeen operates his business, Rocking Shoes since 1 January 2015. The company supplies safety boots around Melaka. On 30 April 2019, Rocking Shoes reported the following trial balance:

Rocking Shoes Trial Balance as at 30 April 2019		
	RM	**RM**
Furniture and Fittings	60,000	
Office Equipment	12,000	
Land	120,000	
Cash	22,800	
Accounts receivable	11,500	
Supplies	16,200	
Prepaid insurance	8,400	
Accounts payable		15,000
Unearned sales revenue		35,200
Rajeen, Capital		206,200
Sales revenue		15,100
Salaries and wages expense	9,000	
Utilities expense	12,300	

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Insurance expense	10,000	
Maintenance expense	4,200	
Accumulated depreciation – Furniture and Fittings		6,600
Accumulated depreciation – Office Equipment		8,300
	RM286,400	**RM286,400**

Additional information:

i. Depreciation for furniture and fittings and office equipment is 10% each.
ii. After company stock counting, it shows that RM9,200 supplies are still on hand.
iii. Insurance policy is for two years.
iv. A quarter of unearned sales revenue remains unearned at the end of the month.
v. Accrued salaries and wages expenses at 30 April 2019 is RM2,600.
vi. Invoices representing RM1,700 of utilities expense during the month have not been recorded as of 30 April.

Required

(a) Prepare the adjusting entries for the month of April. (14 marks)

(b) Prepare an adjusted Trial Balance as at 30 April 2019. (11 marks)

(Total: 25 marks)

End of Paper